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July 24, 2003

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Re: APS Rate Case: Docket No. E-01345A-03-0437

Dear Counselors:

I have read the Application for a rate increase and the Direct Testimony filed in support of APS' Application. In my opinion, the Application is not sufficient for me to review the matter completely.

Please submit an additional filing showing a rate analysis that does not presume the incorporation of PWEC assets into APS' rate base.

Sincerely,

Mike Gleason
Commissioner

c: Chairman Marc Spitzer
Commissioner Jim Irvin
Commissioner Bill Mundell
Commissioner Jeff Hatch-Miller
Docket Control